

# **SAVE AND PTER FUNDS CALCULATION AND DISTRIBUTION**

## **Prior Law** \_\_\_\_\_

Following the repeal of the School Infrastructure Local Option (SILO) sales and services tax, the increase in the state sales and use tax from 5% to 6% is used to fund the Secure an Advanced Vision for Education Fund (SAVE). The money in the Fund is distributed to school districts to use for infrastructure purposes. The formula for the distribution of moneys in the Fund is based upon the amounts that would have been received if the SILO tax continued to exist. Moneys in a fiscal year in excess of the amount needed to provide each school district with its formula amount are distributed and credited to the Property Tax Equity and Relief Fund (PTER).

## **New Provisions** \_\_\_\_\_

Beginning July 1, 2014, SAVE Fund money will be distributed on a per pupil basis calculated using each school district's budget enrollment, as defined in Iowa Code section 257.6, for that fiscal year. The distribution and credit of moneys to the PTER Fund will now occur prior to distribution of moneys in SAVE to school districts, at a fixed rate of 2.1% of the moneys available in a fiscal year.

## **Section Amended** \_\_\_\_\_

Section 134 of 2013 Iowa Acts Senate File 452 amends Iowa Code section 423.F.2, subsection 1, paragraph b, Code 2013. Section 135 amends Iowa Code section 423F.2, subsection 3, Code 2013.

## **Effective Date** \_\_\_\_\_

July 1, 2014.